

Starting an online business: the basics

A whitepaper by <http://www.becomeselfemployed.co.uk>

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Start your own online business

Starting your own online business has never been easier. The cost of entry becomes less every year and now is a great time to start up. Unlike traditional industries the internet is still growing. More and more people are using the internet as their main source of shopping. On top of this the internet is definitely the most popular informational resource on the planet.

This gives you a great opportunity to connect with people through selling goods online, providing a service or satisfying their informational needs. All of these can be profitable areas of online activity.

It still takes work and the money does not come out of nowhere, but the opportunity is both massive and lucrative. Never before has there been a softer, easier to access market than the internet. It is virtually a barrier free market to enter and the start-up costs are negligible. This therefore means that anyone with the right ambition can make money online. All you need is the right content in front of the right people and the rest takes care of itself.

This short guide will give you an overview as to how you can build your own online business. It will talk on a strategic level but also give specific indications and tips to help you on your way.

This guide will cover:

- 1) Starting an online business
- 2) Getting traffic to your site
- 3) Converting that traffic to sales.

Starting an online business

E-commerce businesses

Selling physical goods via the internet is known as ecommerce, it is actually very easy to do now as there are software packages that take care of the whole process. All you have to do is create product listings, tweak the site design and fulfil your orders. Of course you will also need traffic coming into your store (which we will talk about later on in this guide). But the core running of a fully functional independent online shop isn't actually that hard anymore. It's also really easy to find wholesale suppliers now who sell directly to people online.

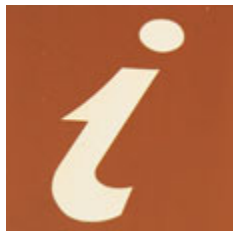
The software that allows you to run an e-commerce store is a content management system (or CMS for short). They come in various forms both free and paid. A lot of the time your web host will be able to install these for you free of charge.

For starting up a zero-investment ecommerce store I would recommend ZenCart. It is open source (like firefox or the android platform) and has a great community following. This means that whenever you have a problem there will almost always be a helpful supporter available to give you a hand. It is relatively simple to customise and is very user friendly.

There are also many paid platforms but I wouldn't want to plug any single one. If you look around you'll be able to find a lot of reviews and comparisons to help you choose the best ecommerce CMS for your business.



Information / service businesses



Providing a service or direct information to your users is a lot simpler than selling goods. The reason for this is there are often no physical items to be shipped to the customer. Therefore the web interface that you need is a lot simpler and the whole process is more streamlined.

To start your own informational or service based business I would strongly recommend Wordpress. This was originally designed as blogging software, but it has become a world renowned free website software solution. Wordpress can literally be installed and set up within a matter of minutes. All you need is the right content on the site to entice buyers into taking action you want them to.

The good thing about running an online business that works on information is that they can literally be set up in minutes. This allows you to spread your reach wide and try your hand at a number of different niches. However this is not to say that they'll all be successful. Good business practices will still be a critical factor in whether your info sites are a success or a failure. The good news is it doesn't cost much to find out; only a little bit of your time.

Getting traffic to your site

Outbound marketing

Outbound marketing is the most traditional and established form of traffic generation. Not just for online businesses but for brick and mortar shops too. Outbound marketing involved directly promoting your business, products or services to customers. So this would be reaching out to potential customers via banner ads, PPC adverts (Google adwords), paid promotions, TV ads, Radio ads, fliers etc.

Inbound marketing

Inbound marketing is the practice of canvassing customers via indirect means. It basically involves making the customer aware of your business, products or services via a secondary medium. What this means in simple terms is grabbing their attention without directly selling to them.

The internet is awash with opportunities for grabbing potential customer's attention via secondary channels. There is the biggest one is Google, then there's social media such as Facebook , Twitter, Pinterest , Youtube and LinkedIn. In addition to these there is the option to blog, guest post on blogs, release white papers, conduct video tutorials, create infographics etc.

Buyers like to feel like they have made an individual choice to come to your site. You can allow them to do this by building awareness or offering some form of free information to the visitor before they actually arrive on your site.

It is all about empowering the user, giving them choice and making them come to your site. They should visit because they perceive positive value based on what you've already shown to them externally.



Source: seomoz.org

Converting traffic into sales

Once you have traffic flowing into your website you've already won half the battle. You've managed to persuade visitors that your site is worth visiting, now you need to persuade them that they should make a purchase.

Whether you're selling goods, services or information one thing is constant:

Use call to action

Call to action is basically the action you want your user to take on a specific page. Once you have visitors to your site it should be clear what you want them to do. You must make it obvious what the page's intention for the user is. But also do this intelligently so that the user actually wants to take that action for themselves.

The secret to getting users to take the action you want them to is to "funnel" them down to the final action you want them to take. As the user reads down/across the page they should become more and more compelled to take the action you want them to.



Sell the benefits and not the features

If you focus on the benefits that you can bring to the user you are a lot more likely to persuade them to buy. The features may be amazing, they may be important but if you're going to list them do it in a way that shows the benefits to your visitors.

For example if you're selling low fat foods don't just tell the buyer your product has only 200 calories.

Tell the buyer that your product has only 200 calories which is 40% less than your competitors products, it will fill them the same as other foods, people have lost x amount of pounds over a month by replacing one food with yours.

You need to spell out what benefits the features will bring to your customers. It may seem obvious to you, but describing these factors has a dramatic impact on your bottom line.

Increase sales with incentives



On certain items you may wish to actually raise your original price and then offer a time sensitive discount to incentivise your customers to buy. So for example if you wanted to offer a 10% discount on a £50 item, raise your RRP price to £60 and offer a 20% discount to bring the price down to £45. This way you have increased the perceived value to the buyer and further incentivised them to purchase. Even though the final price is the same people prefer to get a 20% discount than a 10% discount.

For further information and learning resources visit <http://www.becomeselfemployed.co.uk>

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